

Program Memorandum Intermediaries

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal A-03-029

Date: APRIL 11, 2003

CHANGE REQUEST 2665

SUBJECT: Corrections to: *Changes to the Hospital Inpatient Prospective Payment Systems and Rates and Costs of Graduate Medical Education, etc.*; as Published in the Federal Register, FY 2003 (67 FR 49982, August 1, 2002)

This Program Memorandum (PM) corrects certain wage index values and hospital geographical classifications that were published incorrectly in the Federal fiscal year (FY) 2003 **Federal Register**.

Changes to PRICER will be made to incorporate these new wage entities. **Inform the affected hospitals of these changes.**

FY 2003 Revisions to the Wage Index and Capital Geographic Adjustment Factors (GAF)

The following chart reflects corrections to the wage indexes published in Table 4A, in the August 1, 2002, **Federal Register** (67 FR 50214 – 50221). These changes are effective for discharges occurring on or after April 28, 2003.

Table 4A

Metropolitan Statistical Area (MSA)	Published Wage Index	Published GAF	Corrected Wage Index	Corrected GAF
6340Pocatello, ID	0.9674	0.9776	0.9372	0.9566

The following chart reflects corrections to the wage indexes published in Table 4C, in the August 1, 2002, **Federal Register** (67 FR 50221 – 50223). These changes are effective for discharges occurring on or after April 28, 2003

Table 4C

MSA	Published Wage Index	Published GAF	Corrected Wage Index	Corrected GAF
3440 Huntsville, AL	0.8771	0.9141	0.8789	0.9154
6340Pocatello, ID	0.9674	0.9776	0.9175	0.9427
6520Provo-Orem, UT	0.9984	0.9989	0.9879	0.9917

The April PRICER release incorrectly implements these corrected wage indexes effective for discharges on or after April 1, 2003. The wage indexes published in the August 1, 2002 **Federal Register** will remain in effect for discharges occurring through April 28, 2003. A new PRICER, to be released on or about June 2, 2003, will make this correction. In addition, the April PRICER release did not incorporate the changes above to the Huntsville, AL wage indexes. The June PRICER release will also correct this oversight. Do not reprocess claims unless requested to do so by the hospital.

The following charts reflect corrections to the hospital reclassifications published in Table 9, in the August 1, 2002, **Federal Register** (67 FR 50264 - 50273). Hospitals should be paid in accordance with these designations effective for discharges occurring on or after October 1, 2002. Where this correction affects the hospital's wage index, the relevant wage indexes published in the August 1, 2002, **Federal Register** are applicable for discharges occurring on or after October 1, 2002 and before April 1, 2003. For discharges occurring on or after April 28, 2003, the wage indexes published in the tables above are effective.

TABLE 9

This Table 9 entry corrects the MSA reclassification for the following provider:

Provider Number	Actual MSA or Rural area	Published Wage Index MSA Reclassification	Corrected Wage Index MSA Reclassification
010005	01	3440	1000

The following provider was inadvertently omitted from the Table 9 published in the August 1, 2002, **Federal Register**:

Provider Number	Actual MSA or Rural area	Wage Index MSA Reclassification	Standardized Amount MSA Reclassification
130018	13	6340	-----

The following Table 9 entries correct the wage index MSA reclassification for the following providers:

Provider Number	Actual MSA or Rural area	Published Standardized Amount MSA Reclassification	Corrected Standardized Amount MSA Reclassification
340126	34	6640	6895
360175	36	1640	-----

The following chart reflects a correction to the hospital wage index MSA reclassification for the following provider:

Provider Number	Published Wage Index MSA Reclassification	Corrected Actual MSA or Rural Area
460011	6340	46

The effective date for this PM is April 1, 2003.

The implementation date for this PM is April 1, 2003.

These instructions should be implemented within your current operating budget.

This PM may be discarded after October 1, 2003.

If you have any questions, contact the Division of Acute Care, (410) 786-4548.